

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

MERCEDES-BENZ FINANCIAL SERVICES  
USA LLC, a Delaware limited liability  
company,

Plaintiff,

v.

AUTO TRANS GROUP INC., an Illinois  
corporation; and VIOLET MIHAYLOVA, an  
individual,

Defendants.

Case No. 17-cv-08541

**MERCEDES-BENZ FINANCIAL SERVICES USA LLC'S  
MOTION FOR ENTRY OF DEFAULT ORDER  
AND JUDGMENT AS TO ALL DEFENDANTS**

Plaintiff Mercedes-Benz Financial Services USA LLC (“**MBFS**”) brings its Motion for Entry of Default Order and Judgment against defendants Auto Trans Group, Inc. (“**ATG**”) and Violet Mihaylova (“**Mihaylova**”) in the above-captioned case on the following grounds:

1. MBFS’ Amended Complaint was filed on November 30, 2017, for collection of amounts owed under four promissory notes executed by ATG (the “**Secured Loan Agreements**”) and personal guaranties of the Secured Loan Agreements executed by Defendant Mihaylova (collectively, the “**Mihaylova Guaranties**”)[Dkt. No. 6]. Copies of the Secured Loan Agreements and Mihaylova Guaranties are attached to the Amended Complaint as Exhibits A-G and are incorporated in this Motion by reference. (**Ex. A**, Amended Complaint.)

2. Service was made on Defendants on November 29, 2017, and a copy of the proof of service was filed with the Court on December 5, 2017 [Dkt. No. 12].

3. The Defendants have appeared in this case by counsel [Dkt. No. 17].

4. The Defendants we given until January 19, 2018, to respond to the Amended Complaint [Dkt. No. 16]. Defendants have failed to respond to the Amended Complaint.

5. Pursuant to Federal Rule of Civil Procedure 8(b)(6), an allegation, other than one relating to the amount of damages, is admitted if a responsive pleading is required and the allegation is not denied. Accordingly, ATG and Mihaylova have admitted to all facts alleged in the Amended Complaint, including, but not limited to: (a) they entered the Secured Loan Agreements and Mihaylova Guaranties; (b) they breached the terms of the Secured Loan Agreements and Mihaylova Guaranties by, among other things, failing to pay the Indebtedness (as defined in the Amended Complaint); (c) MBFS performed its obligations under the Secured Loan Agreements and Mihaylova Guaranties; and (d) MBFS has a perfected first priority security interest in the Equipment Collateral (as defined in the Amended Complaint); and MBFS is entitled to foreclosure is secured interest in the Equipment Collateral. *See* Amended Complaint at ¶¶ 8-16, 19, 26, and 47.<sup>1</sup>

6. The admitted facts demonstrate that MBFS is entitled a money judgment against ATG and Mihaylova on the breach of contract claims (Counts I and IV). *See* Amended Complaint at ¶¶ 34-39 and 63-70.

7. The Amended Complaint sets forth a sum certain for the amount due under the Secured Loan Agreements as of October 17, 2017, and provided that interest continues to accrue under the Secured Loan Agreements.

8. As of March 22, 2018, the total deficiency due under the Secured Loan Agreements and owing under the Mihaylova Guaranties was \$772,310.22, exclusive of attorneys' fees and costs, plus continuing interest at the contract rates, calculated as follows:

---

<sup>1</sup> *See also* 11/22/17 Rennie Declaration at ¶¶ 3-29.

ACCOUNT NUMBER	VIN NUMBER	DEFICIENCY BALANCE	PRINCIPAL	INTEREST	CHARGES
1000246519001	3AKJGLD54ESFV5143	55,891.61	52,495.39	1,791.92	1,604.30
5000002814001	3AKJGLD54FSGH0595	82,871.07	72,930.09	1,455.92	8,485.06
	3AKJGLD58FSGH0583	77,691.16	72,930.07	1,807.07	2,954.02
5000020174001	3AKJGLD5XFSGM6077	46,862.90	39,271.54	3,184.86	4,406.50
5000029216001	3AKJGLD59GSGX1604	102,189.60	94,602.86	2,101.35	5,485.39
	3AKJGLD57GSGX1603	102,304.44	94,602.97	2,101.35	5,600.12
	3AKJGLD55GSGX1602	101,920.25	94,602.93	2,101.35	5,215.97
	3AKJGLD53GSGX1601	101,289.71	94,602.97	2,101.35	4,585.39
	3AKJGLD51GSGX1600	101,289.48	94,602.94	2,101.35	4,585.19
		<b>772,310.22</b>	<b>710,641.76</b>	<b>18,746.52</b>	<b>42,921.94</b>

(Ex. B, Declaration of Karen Rennie.)

9. Under the terms of the Secured Loan Agreements and Mihaylova Guaranties, ATG and Mihaylova are liable to MBFS for all expenses, including attorneys' fees and costs, incurred by MBFS in enforcing its rights to collect the indebtedness due.

10. Defendants, jointly and severally, owed MBFS \$38,595.12 in attorneys' fees and costs. (Ex. C, Declaration of Stephen B. Grow.)<sup>2</sup>

11. Therefore, as a result of ATG's and Mihaylova's defaults under the Secured Loans Agreements and the Mihaylova Guaranties, MBFS is entitled to a money judgment in the amount of \$810,905.34, plus per diem interest and additional fees and costs through the date of entry of judgment.

---

<sup>2</sup> ATG reserves the right to update this figure prior to entry of judgment if appropriate.

12. The admitted facts also demonstrate that MBFS is entitled to relief under Count III of the Amended Complaint which seeks to foreclose on the Equipment Collateral. *See* Amended Complaint at ¶¶ 40-53.

WHEREFORE, Plaintiff, pursuant to the provisions of Rule 56(a) of the Federal Rules of Civil Procedure, moves this Court to:

- A. Enter an Order of Default against Defendants;
- B. Enter Judgment in favor of MBFS and against ATG and Mihaylova, jointly and severally, in the amount of \$810,905.34; and
- C. Enter judgment in favor of MBFS and against ATG on Count III of the Amended Complaint.
- D. Grant MBFS any other relief deemed equitable and just under the circumstances.

Dated: March 22, 2018

Respectfully submitted,

MERCEDES-BENZ FINANCIAL  
SERVICES USA LLC,

By: /s/ Sara E. Lorber  
One of Its Attorneys

William J. Factor (6205675)  
Sara E. Lorber (6229740)  
FACTORLAW  
105 W. Madison Street, Suite 1500  
Chicago, IL 60602  
Tel: (312) 878-6976  
Fax: (847) 574-8233  
E-mail: slorber@wfactorlaw.com

AND

Stephen B. Grow (P39622)  
WARNER NORCROSS & JUDD LLP  
111 Lyon St. NW Suite 900

Grand Rapids, MI 49503  
Tel: (616) 752-2158  
Fax: (616) 222-2158  
Email: [sgrow@wnj.com](mailto:sgrow@wnj.com)